LONDON WEEKEND TELEVISION

From Gerry Gable
Date 2nd May, 1977
About Agencies
To Julian/Mike Braham/Barry Cox (Please keep these reports secure)

Phil Kelly was a member of the Young Liberals who in the sixties joined what was known as "the Red Guard". Young Liberals like Peter Hain and Peter Hellyer went against the traditional Liberal line and started campaigning along lines more akin to the Radical left. They stood out against the Vietnam War/Apartheid and for the Palestinians against the Israelis. At home they were for direct action on housing and other evils in our society.

In the first place, as I understand it, Kelly was an odd fish in the rather middle class Young Lib circles, he had a strictly working class background.

He was up to his neck in various campaigns in 1967. The Biafra aid set up was one of them. He was also seen frequently during that year at the offices of the Vietnam Solidarity Campaign. It was suggested that in either late '67 or early '68 he travelled to Cuba and was trained as was "Carlos" during the same period. Certainly Cuba held a Tri-Continental conference at that time involving many third world and Latin American states where Cuba was active in spreading their own brand of revolution. It is suggested that parallel to the conference, an extensive course of training in Guerilla warfare and Espionage took place. If the latter is true, then certainly Cuba's own Secret Service would have been aided by the KGB on the

espionage side of the courses. In the early part of 1969 Kelly was seen at the Soviet Trade Mission in London.

I think that around this time he worked on the Hornsey Journal or another paper in that area, then he moved to work in the new radical press - being a familiar face at Black Dwarf/Seven Days and later Time Out. Hellyer and some other Young Liberals got very involved with the Palestinians around this time and in the summer of 1969 Kelly went to Jordan, not, as he told people, to see the refugee camps, schools and medical aid groups, but to a proper Fatah training camp. Members of the Baader Meinhof group also attended these camps and learnt their bombing and killing skills in them. Kelly was taught firearms/explosives and went out on some treks to the Israeli border with Fatah patrols.

Around this time, returning to London, Kelly acted as a cheer leader on several Arab demonstrations in London and during fighting in one of them he was seen to kick a policeman.

But although he seemed firmly in the left camp, a number of odd things about his attitude towards a person he knew to be hostile to the left are rather strange, on several occasions he could have blown the cover of a man who had infiltrated the Palestinians and some left groups. This man ran into him time and time again, including once at a function organised by the Cuban embassy in London. Kelly was seen on Irish Rights marches the night the Ulster office was attacked, medical aid for Vietnam, Portugese meetings and even a demo over Anguilla.

Wherever he worked on left journals he always seem to get into a position [section illegible, but probably "had

access to the"] names and addresses of subscribers. Reports from left watchers state that he has been to Cuba, America, East Germany, Jordan and Sofia in Bulgaria for a Peace Conference. In the early seventies he went to work in West Germany and was away for around two years, I understand that he worked as a sports reporter (he was there at the time of the Munich massacre). He also had a German girl friend whose name is either Gerde Jager, or Jaegar, the daughter of a rich lawyer. She is said to be close to SWAPO operations in Western Europe and tied up with something named "Informist"?

Back in Britain Kelly worked at Time Out and was instrumental in introducing Mark Hosenball to stories that are part or even all of the reason for his deportation order. Around Time Out a group of Americans, Kelly, Duncan Campbell (the technology freak), plus Crispin Aubrey and John Berry (not just a former Army signals clerk, but a former member of British Military Intelligence) began to operate.

More than a year ago Kelly started to work for Interpress Services, a press agency of which he appears to be the sole employee in this country.

Even some of the left watchers here thought that this agency was set up at the time of a Third World Conference held in Colombo in Sri Lanka a couple of years ago and that in some way it is connected with the Yugoslav State Press Agency. However our checks reveal that it was set up in Italy in 1968 as a press co-operative and the directors are South Americans and Italians, one of the original people before Kelly at this end was John

Rettie - a man I still have to check out but was in some KGB scandal in Moscow some years ago.

The last return made by the co-op shows an annual turn-over of a quarter of a million pounds sterling, although it preceeds Kelly's joining them (at least officially) salaries are shown as only two thousand per annum.

Hosenball, who to my knowledge was always keen to meet any new contacts, told me that he had refused to meet Kelly's contacts in Germany but would say no more. He was also prepared to tell me that the co-op was, as he understood it, set up by some Chilean Christian Democrats who in more recent times dropped out to be replaced by the Iraquis, although no signs of this appear on the company house records. Hosenball is frightened to tell me more about Kelly and it is almost certain that Kelly could blackmail Hosenball to keep silent. Since the Agee/Hosenball expulsion notices were issued, Kelly is often being seen more and more running round organising things. When Hosenball made it clear that he did not wish to be used as political cannon fodder, Kelly wrote an attack on him that appeared in the *Leveller*, a radical magazine.

This is not all that Kelly has done for the *Leveller*, he has also produced material on West Germany for them about the trials of the Terrorist groups.

The arrest of Campbell/Berry and Aubrey has caused a civil rights row, but according to my top level security sources, they inform me in the strictest confidence that for about four years Campbell, Berry and Kelly and others have been systematically gathering top level security material. Campbell, who claims to have only an interest in

technological matters in as far as the state in involved, had done four years detailed research into the whole structure of the other side of not only our Intelligence services but those of other NATO countries. He has also gone to people who work on top security contracts and started off by asking them about open commercial work their companies do and then gradually asked them for information on top secret work, including that on under-water detection hardware, which he clearly knows is beyond the pale.

Politically it appears that the group have no one political guiding light or line, but Kelly is suspected of being the KGB man who reaps the goodies gathered by people who are possibly as disapproving of the KGB as they are of the CIA. [Two words illegible but probably "Other teams"] like this have been operating in France and Sweden. (Agee has been in contact with the Swedish set up.) The security services feel that once the real nature of this case begins to emerge they expect people like Jonathan Aitken will fade away fast. The security service accepts that a number of decent people have been signed up to support these people on civil rights grounds and they also unofficially accept all the short-comings of the act that they have been held under, but they say they are sure this has gone well beyond the bounds of Press Investigation.

Hosenball, although supposedly having his differences with Kelly, was party to a strange chat between Kelly and Steve Weisman at Granada's Christmas party. They were going through a list of contacts and what Hosenball's reaction would be be if he were asked about them. I could not catch the names but when one name came up all three of them seemed very keen to keep it out of the hearing.

Hosenball got extremely angry with Malcolm Southam of World In Action when asked about a man named Karl Von Metre, thought to be an American living in Paris, and would not talk about him. Hosenball's Paris trips are a mystery.

He told me two years ago that the reasons for his Paris visits were to go through files taken from a Portugese office of an extreme right wing group that used a press agency as a cover. At the time of the army take over in Portugal they had been seized and taken to Paris. However, my own investigation showed that the files were not in Paris at all had had never been taken out of Portugal, so why lie? His contact in Paris is Frederick Laurent, a young man who works for the left wing paper *Liberation* and who lives in very grand style in a huge Paris apartment.

When Hosenball and Kelly had hold of the Crozier material they were very keen not to check out right wing connections but to trace phone numbers they felt belonged to Secret Service establishments etc. Hosenball also went to Spain, I think to track down one of the people mentioned in the Robert Moss letters, but despite all this research most of what they got was not appearing in print anyway. Kelly was not happy about Searchlight using the documents and I think Hosenball, who had done work for Searchlight on various occasions, felt embarrassed by his attitude.

Kelly's current girl friend is Dorothy Jones who works for the People's Press Service or News Service, a sort of Agitprop outfit. Kelly moved into a house in Hemmingford Road, Islington, some time last winter. He

shares it with Richard Fletcher who is on the London Co-op Education Committee, (strong links with East Germany) this is at 104 Hemmingford Road, N7.

I went to the house one dark winter night just after they had moved in. I was with Mark Hosenball and the reason for our visit was to get some more photocopies of the Moss letters.

When we arrived, a man who I thought must Fletcher came to the door. The building is a shop, basement and upper part, it was in a bad state of disrepair and the man was plastering or something like that. He said to Mark "there is a caucus meeting, Phil's up top". Mark told me to hang on and ran upstairs to the top floor. Being a nosey bugger I followed and in the top floor front room were about seven or eight men, no women, all seated on cushions on the floor with no centre light.

They were a mixed age group. I didn't recognise any of them and they did not seem to know me. Kelly looked at me staring in over Hosenball's shoulder and leapt up and pushed us out of the room. He said to Mark in a low voice "Why did you bring him here?" and Mark waffled on about not being able to contact him in advance and I needed the letters that very night as Searchlight was going to press on the next day. Kelly took us to the basement and produced the papers and then ushered us out as quickly as possible.

I have now given the names I have acquired to be checked out by British/French security services, especially the French and German connections and the South American stuff is being checked by Geoffrey Stewart-Smith's institute. He has strong CIA links. I may try somebody in

the Israeli Foreign Office that I know for some checks on Kelly. It is now a time of waiting for feed-back and also further checks here.

I have attached a number of documents including a transcript of Kelly's interview with World in Action. It goes without saying that I would like this kept strictly secret.